COUNCILMEMBER DONNA FRYE

City of San Diego Sixth District

MEMORANDUM

Donn Frye

DATE:

December 23, 2003

TO:

Mike Uberuaga, City Manager

FROM:

Councilmember Donna Frye

SUBJECT:

CONVIS

The San Diego Convention and Visitor's Bureau (CONVIS) is budgeted to receive over \$12 million in transient occupancy taxes this fiscal year. This is money that can be used for any general fund expenditure such as police, fire, parks, and libraries.

In March 2004, a measure to raise the transient occupancy tax (TOT) will be on the ballot. This measure would raise the TOT by 2.5 cents (from 10.5 cents to 13 cents), and earmark half (6.5 cents). The total amount of the TOT increase (2.5 cents) would be used to promote tourism, with CONVIS receiving approximately 1.37 cents.

According to a recent article in The San Diego Union-Tribune, CONVIS has never been audited by the City of San Diego. Given the fact that this is taxpayer money and the public has a right to know how their money is being spent, it is both reasonable and financially prudent to perform an audit of CONVIS before the March 2004 election. This should include the total amount spent for advertising San Diego, salaries, bonuses, travel and car allowances, and food. In addition, please provide me a copy of the city's contract with CONVIS for my review.

CC: Mayor and Councilmembers